

LAW OFFICE OF DANIEL MARKS  
DANIEL MARKS, ESQ.  
Nevada Bar No. 002003  
ADAM LEVINE, ESQ.  
Nevada Bar No. 004673  
530 South Las Vegas Blvd., Suite 300  
Las Vegas, Nevada 89101  
(702) 386-0536; Fax (702) 386-6812  
Attorneys for Plaintiff

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

BRODY ENTERPRISES,  
Plaintiff,

Case No.: 2:11-cv-00489-GMN-LRL

vs.

AMERICAN TONERSERV CORPORATION,  
A Delaware Corporation, MTS PARTNERS  
INC., f/k/a iPrint TECHNOLOGIES, INC.,  
iPrint TECHNOLOGIES, LLC, a Delaware  
Limited Liability Company, DOES I  
THROUGH X, and XYZ COMPANIES I  
THROUGH X, inclusive

**PLAINTIFF'S APPLICATION FOR  
DEFAULT JUDGMENTS AGAINST  
DEFENDANT AMERICAN  
TONERSERV CORPORATION AND  
DEFENDANT iPRINT  
TECHNOLOGIES, LLC**

Defendants.

COMES NOW Plaintiff, Brody Enterprises, by and through its counsel, and hereby files  
its' Application for Default Judgment against Defendant American Tonerserv Corporation and  
Defendant iPrint Technologies, LLC, pursuant to the Federal Rules of Civil Procedure Rule  
55(b)(1).

Defendant, American Tonerserv Corporation (hereafter "ATS") and Defendant, iPrint  
Technologies, LLC (hereafter "iPrint"), failed to plead or otherwise defend in this case, and  
Defaults were entered against ATS and iPrint by the Eighth Judicial District Court on March 31,  
2011. See Defaults attached herewith as Exhibit "1." The Defaults were entered before  
Defendant MTS Partners Inc., removed this matter to the United States District Court for the  
District of Nevada. The claim against the Defendant ATS and Defendant iPrint are for a sum

1 certain, that being \$173,408.49 amount, based upon the formula contained within the November  
2 29, 2010 modification and amortization schedule attached with as Exhibit "2." See also, the  
3 affidavit of Arnold Brody attached herewith as Exhibit "2." Pursuant to FRCP 55(b)(1),  
4 judgment may therefore be properly entered by the court clerk against Defendant ATS and  
5 Defendant iPrint in the amount of \$173,408.49.

6 **ORDER AND JUDGMENT**

7 BASED upon the foregoing and good cause appearing;

8 IT IS HEREBY ORDERED, ADJUGED, AND DECREED that Defendant American  
9 Tonerserv Corporation and Defendant iPrint Technologies, LLC, are indebted to Plaintiff for  
10 debts incurred in the amount of \$173,408.49.

11 IT IS HEREBY ORDERED, ADJUGED, AND DECREED that a Default Judgment is  
12 hereby entered against Defendant American Tonerserv Corporation and Defendant iPrint  
13 Technologies, LLC, in the amount of \$173,408.49.

14 **IT IS SO ORDERED** this 11th day of April, 2011.

15  
16   
17 \_\_\_\_\_  
18 Gloria M. Navarro  
19 United States District Judge  
20

21 Submitted by

22 LAW OFFICE OF DANIEL MARKS

23 \_\_\_\_\_  
24 /s/  
25 DANIEL MARKS, ESQ.  
26 Nevada State Bar No. 002003  
27 ADAM LEVINE, ESQ.  
28 Nevada State Bar No. 004673  
530 South Las Vegas Blvd., Suite 300  
Las Vegas, Nevada 89101  
Attorneys for Plaintiff

**EXHIBIT “1”**

**AFFIDAVIT OF ARNOLD BRODY**

STATE OF NEVADA        )  
                                  ) ss:  
COUNTY OF CLARK        )

ARNOLD BRODY being first duly sworn deposes and says:

1. That I am the owner of Brody Enterprises, the Plaintiff in the above-entitled action. I have full and complete knowledge of the facts contained herein, and am willing to testify at the Court's request.
2. That on or about December 20, 2006, my company, Brody Enterprises and American Tonerserv Corporation (hereafter "ATS") entered into a "Customer List Purchase Agreement" whereby ATS agreed to purchase Brody Enterprises' customer list and accounts for \$800,000.00.
3. Between 2006 and 2010 ATS was unable to meet its payment obligations. This resulted in Brody Enterprises and ATS modifying the terms of their Agreements, and restructuring the payment terms on multiple occasions.
4. On or about October 31, 2008 ATS acquired the business and/or assets iPrint Technologies, Inc. which was an on-line retailer of printed products for small businesses and consumers which included the sale of toner cartridges for laser printers.
5. That ATS formed iPrint Technologies, LLC, a wholly owned subsidiary of ATS and operated the business and/or assets purchased from iPrint Technologies, Inc. under this wholly owned subsidiary.
6. The customer list and accounts purchased by ATS from Brody Enterprises, and the ISPs, including Brody Enterprise's former sales people, operated through ATS' wholly owned subsidiary, iPrint Technologies, LLC.
7. The Defendants ATS and iPrint Technologies, LLC could no longer comply with their payment obligations in and around November 29, 2010, so the Defendants and Brody Enterprises entered into another modification agreement to accommodate the Defendants. A true and correct copy of the modification and

revised amortization schedule is attached herewith.

8. Pursuant to modification agreement entered by the parties, dated November 29, 2010, Defendant ATS and iPrint Technologies, LLC agreed to make 103 weekly principal and interest payments of approximately \$1,659.49, with \$50.00 late fee payments to accrue on a daily basis.

9. Defendants ATS and iPrint Technologies, LLC made the first two payments and defaulted thereafter. Defendants ATS and iPrint Technologies, LLC still owe Brody Enterprises the sum of \$173,408.49.

10. Pursuant to the formula, ATS and iPrint Technologies owe Brody Enterprises 101 principal and interest payments of \$1,659.49 for a total of \$167,608.49. ATS and iPrint Technologies, LLC have accrued additional late fees of \$5,800 from the date ATS and iPrint Technologies, LLC defaulted on December 17, 2010 through April 11, 2011 for a total of \$173,408.49.

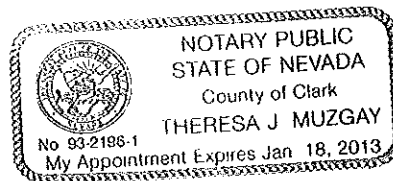
11. Based upon the foregoing, I am requesting that the Clerk of the Court enter a Default Judgment Against ATS and iPrint Technologies, LLC in the amount of \$173,408.49.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

ARNOLD BRODY

SUBSCRIBED and SWORN to before me  
this 7 day of April, 2011.

NOTARY PUBLIC in and for said  
COUNTY and STATE



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CLERK OF THE COURT

1 DFLT  
LAW OFFICE OF DANIEL MARKS  
2 DANIEL MARKS, ESQ.  
Nevada State Bar No. 002003  
3 ADAM LEVINE, ESQ.  
Nevada State Bar No. 004673  
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Las Vegas, Nevada 89101  
5 (702) 386-0536; Fax: (702) 386-6812  
Attorneys for Plaintiff  
6

7 DISTRICT COURT  
8 CLARK COUNTY, NEVADA  
9

10 BRODY ENTERPRISES,  
11 Plaintiff,

Case No.: A-11-634792-C  
Dept. No.: XXIX

12 v.

13 AMERICAN TONERSERV CORPORATION,  
A Delaware Corporation, MTS PARTNERS  
14 INC., f/k/a iPrint TECHNOLOGIES, INC.,  
iPrint TECHNOLOGIES, LLC, a Delaware  
15 Limited Liability Company, DOES I  
THROUGH X, and XYZ COMPANIES I  
16 THROUGH X, inclusive  
17

18 **DEFAULT**

19 It appearing from the files and records in the above-entitled action that AMERICAN TONERSERV  
20 CORPORATION, Defendant herein, being duly served with a copy of the Summons and Complaint on the  
21 28th day of February, 2011; that more than 20 days, exclusive of the day of service, having expired since  
22 service upon the Defendant; that no answer or other appearance having been filed and no further time having

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CLERK OF THE COURT  
MAR 25 2011

1 been granted, the default of the above-named Defendant for failing to answer or otherwise plead to  
2 Plaintiff's Complaint is hereby entered.

3 STEVEN D. GRIERSON, CLERK OF COURT


4 By:   
5 DEPUTY CLERK DATE

6 MICHELLE MCCARTHY

MAR 29 2011

7 Respectfully submitted:

8 LAW OFFICE OF DANIEL MARKS

9   
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13 Nevada State Bar No. 004673  
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15 Las Vegas, Nevada 89101  
16 Attorneys for Plaintiff  
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CLERK OF THE COURT

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7 DISTRICT COURT  
8 CLARK COUNTY, NEVADA  
9

10 BRODY ENTERPRISES,  
11 Plaintiff,

Case No.: A-11-634792-C  
Dept. No.: XXIX

12 v.

13 AMERICAN TONERSERV CORPORATION,  
A Delaware Corporation, MTS PARTNERS  
14 INC., f/k/a iPrint TECHNOLOGIES, INC.,  
iPrint TECHNOLOGIES, LLC, a Delaware  
15 Limited Liability Company, DOES I  
THROUGH X, and XYZ COMPANIES I  
16 THROUGH X, inclusive

17  
18 DEFAULT

19 It appearing from the files and records in the above-entitled action that iPrint TECHNOLOGIES,  
20 LLC, Defendant herein, being duly served with a copy of the Summons and Complaint on the 28th day of  
21 February, 2011; that more than 20 days, exclusive of the day of service, having expired since service upon  
22 the Defendant; that no answer or other appearance having been filed and no further time having been

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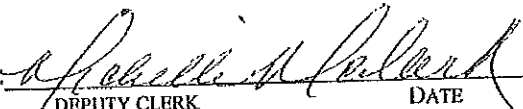
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RECEIVED  
MAR 25 2011



1 granted, the default of the above-named Defendant for failing to answer or otherwise plead to Plaintiff's  
2 Complaint is hereby entered.

3 STEVEN D. GRIERSON, CLERK OF COURT

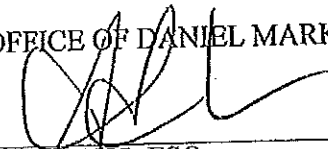
4 By:   
5 DEPUTY CLERK DATE

6 MICHELLE MCCARTHY

MAR 29 2011

7 Respectfully submitted:

8 LAW OFFICE OF DANIEL MARKS

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11 Nevada State Bar No. 002003  
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13 Nevada State Bar No. 004673  
14 530 South Las Vegas Blvd., Suite 300  
15 Las Vegas, Nevada 89101  
16 Attorneys for Plaintiff  
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**EXHIBIT “2”**

November 29, 2010

Arnold Brody  
37 Daisy Meadow Terrace  
Henderson, NV 89074

Dear Arnie,

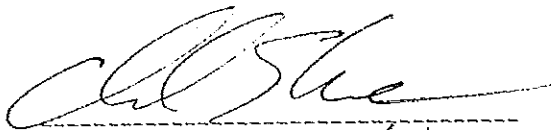
This letter serves as a modification to our note dated December 20, 2006 between Brody Enterprises and American TonerServ Corp. and subsequent amendments between the parties dated January 20, 2009, June 2, 2009 and February 21, 2010. The current balance due on the note is \$152,542.74, which does not include late fees which were waived for the month of November 2010 and part of October 2010. It is agreed by both parties that the current balance outstanding amortized over a 104 week

Period with an interest rate of (12.5%) per annum for a weekly payment of \$1,659.49 (the amortization payment schedule is attached). This note can be paid off before maturity without a prepayment penalty. This note will also be in default if one day late. Should the due date fall on a holiday then the payment will be due the following day with the exception of a Saturday or Sunday, which will then be due on a Monday. All payments are due on a Friday and there will be a \$50.00 per day late fee on payments not made by due date. The first payment will be due on Friday, December 3, 2010. By signing below, both parties acknowledge this letter as a modification to said note.

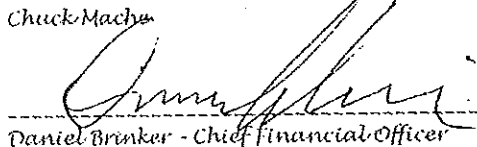
Sincerely,



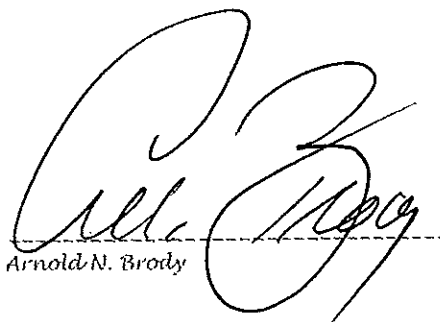
Chuck Mache  
President and Chief Executive Officer



Chuck Mache



Daniel Brinker - Chief Financial Officer



Arnold N. Brody

Date	Payment	Principal Paid	Interest Paid	Remaining Balance
12/3/2010	\$ 1,659.49	\$ 1,292.80	\$ 366.69	\$ 151,249.94
12/10/2010	\$ 1,659.49	\$ 1,295.91	\$ 363.58	\$ 149,954.03
12/17/2010	\$ 1,659.49	\$ 1,299.02	\$ 360.47	\$ 148,655.01
12/24/2010	\$ 1,659.49	\$ 1,302.15	\$ 357.34	\$ 147,352.86
12/31/2010	\$ 1,659.49	\$ 1,305.28	\$ 354.21	\$ 146,047.58
1/7/2011	\$ 1,659.49	\$ 1,308.41	\$ 351.08	\$ 144,739.17
1/14/2011	\$ 1,659.49	\$ 1,311.56	\$ 347.93	\$ 143,427.61
1/21/2011	\$ 1,659.49	\$ 1,314.71	\$ 344.78	\$ 142,112.90
1/28/2011	\$ 1,659.49	\$ 1,317.87	\$ 341.62	\$ 140,795.03
2/4/2011	\$ 1,659.49	\$ 1,321.04	\$ 338.45	\$ 139,473.99
2/11/2011	\$ 1,659.49	\$ 1,324.22	\$ 335.27	\$ 138,149.77
2/18/2011	\$ 1,659.49	\$ 1,327.40	\$ 332.09	\$ 136,822.37
2/25/2011	\$ 1,659.49	\$ 1,330.59	\$ 328.90	\$ 135,491.78
3/4/2011	\$ 1,659.49	\$ 1,333.79	\$ 325.70	\$ 134,157.99
3/11/2011	\$ 1,659.49	\$ 1,336.99	\$ 322.50	\$ 132,821.00
3/18/2011	\$ 1,659.49	\$ 1,340.21	\$ 319.28	\$ 131,480.79
3/25/2011	\$ 1,659.49	\$ 1,343.43	\$ 316.06	\$ 130,137.36
4/1/2011	\$ 1,659.49	\$ 1,346.66	\$ 312.83	\$ 128,790.70
4/8/2011	\$ 1,659.49	\$ 1,349.90	\$ 309.59	\$ 127,440.80
4/15/2011	\$ 1,659.49	\$ 1,353.14	\$ 306.35	\$ 126,087.66
4/22/2011	\$ 1,659.49	\$ 1,356.39	\$ 303.10	\$ 124,731.27
4/29/2011	\$ 1,659.49	\$ 1,359.66	\$ 299.83	\$ 123,371.61
5/6/2011	\$ 1,659.49	\$ 1,362.92	\$ 296.57	\$ 122,008.69
5/13/2011	\$ 1,659.49	\$ 1,366.20	\$ 293.29	\$ 120,642.49
5/20/2011	\$ 1,659.49	\$ 1,369.48	\$ 290.01	\$ 119,273.01
5/27/2011	\$ 1,659.49	\$ 1,372.78	\$ 286.71	\$ 117,900.23
6/3/2011	\$ 1,659.49	\$ 1,376.08	\$ 283.41	\$ 116,524.15
6/10/2011	\$ 1,659.49	\$ 1,379.38	\$ 280.11	\$ 115,144.77
6/17/2011	\$ 1,659.49	\$ 1,382.70	\$ 276.79	\$ 113,762.07
6/24/2011	\$ 1,659.49	\$ 1,386.02	\$ 273.47	\$ 112,376.05
7/1/2011	\$ 1,659.49	\$ 1,389.36	\$ 270.13	\$ 110,986.69
7/8/2011	\$ 1,659.49	\$ 1,392.70	\$ 266.79	\$ 109,593.99
7/15/2011	\$ 1,659.49	\$ 1,396.04	\$ 263.45	\$ 108,197.95
7/22/2011	\$ 1,659.49	\$ 1,399.40	\$ 260.09	\$ 106,798.55
7/29/2011	\$ 1,659.49	\$ 1,402.76	\$ 256.73	\$ 105,395.79
8/5/2011	\$ 1,659.49	\$ 1,406.13	\$ 253.36	\$ 103,989.66
8/12/2011	\$ 1,659.49	\$ 1,409.51	\$ 249.98	\$ 102,580.15
8/19/2011	\$ 1,659.49	\$ 1,412.90	\$ 246.59	\$ 101,167.25
8/26/2011	\$ 1,659.49	\$ 1,416.30	\$ 243.19	\$ 99,750.95
9/2/2011	\$ 1,659.49	\$ 1,419.70	\$ 239.79	\$ 98,331.25
9/9/2011	\$ 1,659.49	\$ 1,423.12	\$ 236.37	\$ 96,908.13
9/16/2011	\$ 1,659.49	\$ 1,426.54	\$ 232.95	\$ 95,481.59
9/23/2011	\$ 1,659.49	\$ 1,429.97	\$ 229.52	\$ 94,051.62

pd  
pd

Starting Salary  
\$152,542.74

9/30/2011	\$	1,659.49	\$	1,433.40	\$	226.09	\$	92,618.22
10/7/2011	\$	1,659.49	\$	1,436.85	\$	222.64	\$	91,181.37
10/14/2011	\$	1,659.49	\$	1,440.30	\$	219.19	\$	89,741.07
10/21/2011	\$	1,659.49	\$	1,443.77	\$	215.72	\$	88,297.30
10/28/2011	\$	1,659.49	\$	1,447.24	\$	212.25	\$	86,850.06
11/4/2011	\$	1,659.49	\$	1,450.72	\$	208.77	\$	85,399.34
11/11/2011	\$	1,659.49	\$	1,454.20	\$	205.29	\$	83,945.14
11/18/2011	\$	1,659.49	\$	1,457.70	\$	201.79	\$	82,487.44
11/25/2011	\$	1,659.49	\$	1,461.20	\$	198.29	\$	81,026.24
12/2/2011	\$	1,659.49	\$	1,464.72	\$	194.77	\$	79,561.52
12/9/2011	\$	1,659.49	\$	1,468.24	\$	191.25	\$	78,093.28
12/16/2011	\$	1,659.49	\$	1,471.77	\$	187.72	\$	76,621.51
12/23/2011	\$	1,659.49	\$	1,475.30	\$	184.20	\$	75,146.21
12/30/2011	\$	1,659.49	\$	1,478.85	\$	180.64	\$	73,667.36
1/6/2012	\$	1,659.49	\$	1,482.40	\$	177.09	\$	72,184.96
1/13/2012	\$	1,659.49	\$	1,485.97	\$	173.52	\$	70,698.99
1/20/2012	\$	1,659.49	\$	1,489.54	\$	169.95	\$	69,209.45
1/27/2012	\$	1,659.49	\$	1,493.12	\$	166.37	\$	67,716.33
2/3/2012	\$	1,659.49	\$	1,496.71	\$	162.78	\$	66,219.62
2/10/2012	\$	1,659.49	\$	1,500.31	\$	159.18	\$	64,719.31
2/17/2012	\$	1,659.49	\$	1,503.91	\$	155.58	\$	63,215.40
2/24/2012	\$	1,659.49	\$	1,507.53	\$	151.96	\$	61,707.87
3/2/2012	\$	1,659.49	\$	1,511.15	\$	148.34	\$	60,196.72
3/9/2012	\$	1,659.49	\$	1,514.79	\$	144.70	\$	58,681.93
3/16/2012	\$	1,659.49	\$	1,518.43	\$	141.06	\$	57,163.50
3/23/2012	\$	1,659.49	\$	1,522.08	\$	137.41	\$	55,641.42
3/30/2012	\$	1,659.49	\$	1,525.74	\$	133.75	\$	54,115.68
4/6/2012	\$	1,659.49	\$	1,529.40	\$	130.09	\$	52,586.28
4/13/2012	\$	1,659.49	\$	1,533.08	\$	126.41	\$	51,053.20
4/20/2012	\$	1,659.49	\$	1,536.77	\$	122.72	\$	49,516.43
4/27/2012	\$	1,659.49	\$	1,540.46	\$	119.03	\$	47,975.97
5/4/2012	\$	1,659.49	\$	1,544.16	\$	115.33	\$	46,431.81
5/11/2012	\$	1,659.49	\$	1,547.88	\$	111.61	\$	44,883.93
5/18/2012	\$	1,659.49	\$	1,551.60	\$	107.89	\$	43,332.33
5/25/2012	\$	1,659.49	\$	1,555.33	\$	104.16	\$	41,777.00
6/1/2012	\$	1,659.49	\$	1,559.06	\$	100.43	\$	40,217.94
6/8/2012	\$	1,659.49	\$	1,562.81	\$	96.68	\$	38,655.13
6/15/2012	\$	1,659.49	\$	1,566.57	\$	92.92	\$	37,088.56
6/22/2012	\$	1,659.49	\$	1,570.33	\$	89.16	\$	35,518.23
6/29/2012	\$	1,659.49	\$	1,574.11	\$	85.38	\$	33,944.12
7/6/2012	\$	1,659.49	\$	1,577.89	\$	81.60	\$	32,366.23
7/13/2012	\$	1,659.49	\$	1,581.69	\$	77.80	\$	30,784.54
7/20/2012	\$	1,659.49	\$	1,585.49	\$	74.00	\$	29,199.05
7/27/2012	\$	1,659.49	\$	1,589.30	\$	70.19	\$	27,609.75
8/3/2012	\$	1,659.49	\$	1,593.12	\$	66.37	\$	26,016.63
8/10/2012	\$	1,659.49	\$	1,596.95	\$	62.54	\$	24,419.68
8/17/2012	\$	1,659.49	\$	1,600.79	\$	58.70	\$	22,818.89

8/24/2012	\$	1,659.49	\$	1,604.64	\$	54.85	\$	21,214.25
8/31/2012	\$	1,659.49	\$	1,608.49	\$	51.00	\$	19,605.76
9/7/2012	\$	1,659.49	\$	1,612.36	\$	47.13	\$	17,993.40
9/14/2012	\$	1,659.49	\$	1,616.24	\$	43.25	\$	16,377.16
9/21/2012	\$	1,659.49	\$	1,620.12	\$	39.37	\$	14,757.04
9/28/2012	\$	1,659.49	\$	1,624.02	\$	35.47	\$	13,133.02
10/5/2012	\$	1,659.49	\$	1,627.92	\$	31.57	\$	11,505.10
10/12/2012	\$	1,659.49	\$	1,631.83	\$	27.66	\$	9,873.27
10/19/2012	\$	1,659.49	\$	1,635.76	\$	23.73	\$	8,237.51
10/26/2012	\$	1,659.49	\$	1,639.69	\$	19.80	\$	6,597.82
11/2/2012	\$	1,659.49	\$	1,643.63	\$	15.86	\$	4,954.19
11/9/2012	\$	1,659.49	\$	1,647.58	\$	11.91	\$	3,306.61
11/16/2012	\$	1,659.49	\$	1,651.54	\$	7.95	\$	1,655.07
11/23/2012	\$	1,659.05	\$	1,655.07	\$	3.98	\$	0.00

\$	172,586.52	\$	152,542.74	\$	20,043.78
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